

**REPORT OF THE UTILITIES DEPARTMENT
OF
THE PUBLIC SERVICE COMMISSION OF SOUTH CAROLINA**

DOCKET NO. 2001-2-E

SOUTH CAROLINA ELECTRIC & GAS COMPANY

Annual Review of Base Rates for Fuel Costs

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REPORT OF UTILITIES DEPARTMENT

SOUTH CAROLINA PUBLIC SERVICE COMMISSION

DOCKET NO. 2001-2-E

SOUTH CAROLINA ELECTRIC & GAS COMPANY REPORT OF FUEL ADJUSTMENT ANALYSIS

SCOPE OF EXAMINATION

The Commission's Utilities Department Staff analyzed the Company's procedures and practices pertaining to its fuel operation. Staff's examination consisted of the following:

- 1) Review of the Company's monthly fuel reports including:
 - a) Power Plant Performance Data Reports
 - b) Major Unit Outage Reports
 - c) Generation Mix
 - d) Generation Statistics
 - e) Retail Comparison of MWH Sales
 - f) Retail Comparison of Fuel Costs
- 2) Review of the Company's currently approved Adjustment for Fuel Costs tariff.
- 3) History of Cumulative Recovery Account.
- 4) Calculation of fuel costs to be included in the base rates for May 2001 through April 2002.

REVIEW OF COMPANY'S MONTHLY FUEL REPORTS

The Company files with this Commission monthly reports that include power plant performance data, major unit outages, generation mix, and other reports that provide the Staff pertinent data on which to evaluate the Company's fuel operating expenses.

Selected information from the Power Plant Performance Data Reports for nuclear and fossil plants is shown on Exhibit No. 1. It includes a listing of capacity factors and equivalent availability factors for each unit by month for the period and also includes the yearly capacity factors (1998-2000) and the lifetime (cumulative) capacity factor of the V. C. Summer Nuclear Station. These factors are expressed as a percentage. This percentage figure can be

a useful index when attempting to locate or identify a particular problem or unusual occurrence.

Pursuant to S.C. Code Ann. Section 58-27-865 (Supp. 2000) certain criteria are established for review of a utility's effort to minimize fuel expenses. In evaluating a utility's fuel costs under this section, it is necessary to examine and determine whether the utility has made every reasonable effort to minimize fuel costs associated with the operation of its nuclear generation system while "giving due regard to reliability of service, economical generation mix, generating experience of comparable facilities and minimization of the total cost of providing service."

The Staff's Nuclear Unit Outage Report considers each outage experienced, giving the inclusive dates of the outage, hours down, type of outage (Scheduled or Forced), the reason for the outage, and the corrective action taken. This information covers the period being considered in this proceeding and is shown in Exhibit No. 2A. Staff compiled this data through review of Company documents, NRC documents, and interviews with Company personnel. The Company's V C Summer Nuclear Unit experienced an extended outage during this reporting period resulting from a 2 ½ inch crack through a weld in the piping connecting the reactor vessel to the Alpha steam generator. The problem was discovered during routine inspections after the unit was taken out of service for a scheduled refueling outage on October 7, 2000. Root cause analysis determined the crack resulted from a phenomenon known as Primary Water Stress Corrosion Cracking. The Nuclear Regulatory Commission (NRC) inspection and analysis found no performance deficiencies, and found the Company's root cause analysis was thorough, well organized, and performed with personnel with appropriate expertise. The NRC inspection team, which was on site during this outage period, determined that the Code requirements had been met throughout the history of the weld in question. The NRC also found this failure was not avoidable by reasonable quality assurance measures or management controls and is considered to have resulted from matters beyond the control of the Company. The unit was returned to service on March 3, 2001.

The Staff's Fossil Unit Outage Report is a listing of plants by unit, duration of outage (greater than 100 hours), reason for down time, and corrective action taken to return the plant to service. The information specifically reviewed for this proceeding is for the months of March 2000 through February 2001 and is included in Exhibit No. 2B. There is an outage of particular interest that began on January 3, 2001 at the Cope plant resulting from a ground fault through the generator. This resulted from a crack in the cooling water piping inside the generator that allowed hydrogen gas to enter the water cooling system thereby reducing its cooling ability and caused overheating which resulted in a short and the generator tripping. The cracking occurred due to a combination of factors including vibration induced fatigue which was determined to be caused by failure of the manufacturer to install a support block. These Units' Availability Factors were in the 95 plus percentile for the greater portion of this period.

Staff reviewed and compiled a percentage Generation Mix statistic sheet for the Company's fossil, nuclear and hydraulic plants for March 2000 through February 2001. The fossil generation ranged from a high of 96% to a low 68%. The nuclear generation ranged from a high of 28% to a low of 0%. The percentage of generation by hydro ranged from a high of 8% to a low of 4%. This information is included in Exhibit No. 3. The Staff also collected and reviewed certain Generation Statistics of Major Plants for the 12 months ending February 28, 2001. This data is presented on Exhibit No. 4. This Exhibit shows the Company's major plants by name, type of fuel used, fuel cost in cents per kilowatt-hour to operate and total megawatt-hours generated for the period. The nuclear fueled Summer Plant was lowest in cost at 0.47 cents per kilowatt-hour. The highest amount of generation of 4,554,570 megawatt-hours was produced at the Williams coal-fired Station.

Utilities Department Exhibit No. 5 shows a comparison of the Company's original retail megawatt-hour (MWH) estimated sales to the actual sales for the period from March 2000 through February 2001. The original projections ranged from an under-estimate of 10.93% in January 2001 to an over-estimate of 7.51% in February 2001 with a total under-estimate of 1.40% for the period.

Utilities Department Exhibit No. 6 shows a comparison of the Company's original fuel cost projections to the costs actually experienced for the months of March 2000 through February 2001. The original projections ranged from an under-estimate of 45.63% for January 2001 to an over-estimate of 2.03% for October 2000. The unusually large variances for the months of November 2000 through February 2001 are attributable to the unexpected outages at the V C Summer Station and the Cope unit along with unusually cold weather during this period. The difference between actual and original projection of these fuel costs is further delineated graphically on Utilities Department Exhibit No. 7.

REVIEW OF THE COMPANY'S CURRENTLY APPROVED RETAIL ADJUSTMENT FOR FUEL COSTS

Staff has reviewed the Company's currently approved retail Adjustment for Fuel Costs tariff and found it to continue to operate properly and therefore Staff does not recommend any modifications at this time. Exhibit No. 8 is a copy of the Company's currently approved Adjustment for Fuel Costs tariff.

HISTORY OF THE CUMULATIVE RECOVERY ACCOUNT

Exhibit No. 9 is a history of the cumulative recovery account balances from inception in 1979 to February 2001.

CALCULATION OF BASE RATE FUEL COST COMPONENT FOR MAY 2001 THROUGH APRIL 2002.

Utilizing the currently projected sales and fuel cost figures for the period May 2001 through April 2002 and including the projected under-recovery balance

of \$61,670,308 in the cumulative recovery account through April 2001 (See Audit Exhibit G), the average fuel expense is estimated to be 1.730 cents per kilowatt-hour. Applying this fuel factor to the period would create an ending period estimated \$22,454 under-collection in the cumulative recovery account. This is presented on Exhibit No. 10B. In addition, since the Company has requested approval to recover this under collected amount over a two year period, Staff has prepared Exhibit No. 10A, which provides the resulting factors using the Company's proposed methodology. This shows a fuel base factor of 1.579 cents per kilowatt-hour with a resulting under-recovered balance of \$58,473.

The Commission has consistently expressed its expectation that the Company exercise all reasonable prudence and efficiency in its fuel purchasing practices and aggressively control the operation and maintenance of its production facilities to assure the lowest fuel costs possible. Also, the Commission has directed the Staff to monitor the Company's plant operations and fuel purchasing to insure that any inefficient or negligent practice is brought to the Commission's attention.

**SOUTH CAROLINA ELECTRIC & GAS COMPANY
POWER PLANT PERFORMANCE DATA REPORT
CAPACITY FACTORS (PERCENTAGE)**

PLANTS NAME	UNIT	MW RATING	YEAR 1998	YEAR 1999	YEAR 2000	MAR 2000	APR 2000	MAY 2000	JUN 2000	JUL 2000	AUG 2000	SEP 2000	OCT 2000	NOV 2000	DEC 2000	JAN 2001	FEB 2001
CANADYS	1	115	47.4	24.3	54.2	51.0	0.0	49.4	79.4	73.2	79.8	55.5	83.5	49.8	86.2	85.2	80.8
CANADYS	2	125	42.8	31.0	63.8	59.2	0.0	57.9	83.3	83.3	77.9	64.7	70.1	67.7	90.0	97.8	52.5
CANADYS	3	180	45.7	37.5	59.6	49.9	10.3	58.0	91.7	91.7	87.8	89.6	61.9	72.7	29.9	98.2	78.5
McMEEKIN	1	126	85.0	78.5	84.0	84.6	71.6	92.3	85.6	88.2	90.0	74.2	74.8	91.4	93.3	93.5	85.2
McMEEKIN	2	126	69.9	80.1	85.4	67.6	73.0	89.8	86.5	93.3	92.8	87.6	70.6	95.6	96.9	91.3	94.1
URQUHART	1	75	54.0	61.7	55.1	31.8	0.0	55.0	56.6	75.1	84.2	39.1	83.5	89.9	92.5	94.5	72.1
URQUHART	2	75	59.3	59.8	60.6	44.3	66.9	63.2	72.4	85.1	88.1	26.5	59.5	91.9	87.5	99.5	76.5
URQUHART	3	100	44.8	57.7	64.0	1.7	40.0	74.2	82.3	83.9	87.6	80.8	89.3	88.1	90.6	96.4	92.5
WATEREE	1	350	76.3	71.7	77.9	90.5	33.6	72.8	78.9	73.8	80.2	73.1	91.0	72.7	95.6	82.5	79.0
WATEREE	2	350	59.2	73.6	70.9	57.2	57.1	36.4	79.5	74.3	81.4	68.9	78.9	63.6	85.0	92.8	81.8
WILLIAMS		600	63.1	87.8	82.5	42.0	91.5	90.4	94.7	91.8	81.5	91.1	81.7	81.1	96.4	98.1	96.4
COPE		410	80.2	76.6	77.4	95.2	63.2	95.5	91.2	94.5	89.5	94.2	39.6	0.0	82.0	7.7	0.0
FOSSILTOTALS		2632	80.2	68.6	74.0	63.3	53.8	73.8	85.6	85.2	84.2	78.6	73.0	64.5	86.5	79.9	71.2
V.C. SUMMER*		952	97.1	86.1	81.3	97.8	97.8	99.2	90.9	98.0	97.8	95.8	16.5	0.0	0.0	0.0	0.0
(SCEG)		635															
(SCPSA)		317															

*THE LIFETIME CAPACITY FACTOR FOR V.C.SUMMER THROUGH FEBRUARY 2001 IS 77.8%

**SOUTH CAROLINA ELECTRIC & GAS COMPANY
POWER PLANT PERFORMANCE DATA REPORT
AVAILABILITY FACTORS (PERCENTAGE)**

PLANTS NAME	UNIT	MW RATING	MAR 2000	APR 2000	MAY 2000	JUN 2000	JUL 2000	AUG 2000	SEP 2000	OCT 2000	NOV 2000	DEC 2000	JAN 2001	FEB 2001
CANADYS	1	115	76.5	0.0	72.7	97.2	95.0	100.0	100.0	100.0	65.5	98.3	88.5	91.8
CANADYS	2	125	81.6	0.0	80.2	100.0	100.0	92.5	92.7	89.3	84.7	100.0	100.0	57.2
CANADYS	3	180	96.7	70.2	67.5	100.0	100.0	94.2	100.0	71.6	73.9	38.3	100.0	86.4
McMEEKIN	1	126	100.0	84.1	100.0	97.0	100.0	100.0	96.7	86.0	100.0	100.0	100.0	96.9
McMEEKIN	2	126	78.4	93.4	96.9	96.8	100.0	100.0	100.0	79.6	100.0	100.0	100.0	100.0
URQUHART	1	75	74.0	0.0	73.8	96.6	94.6	100.0	72.8	100.0	100.0	100.0	96.7	77.5
URQUHART	2	75	92.4	99.1	90.8	100.0	100.0	100.0	100.0	82.1	100.0	93.6	100.0	80.9
URQUHART	3	100	4.6	78.7	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	98.8
WATEREE	1	350	96.2	46.7	82.8	100.0	95.8	100.0	100.0	100.0	82.5	100.0	93.0	87.1
WATEREE	2	350	95.5	95.3	56.8	100.0	99.7	100.0	94.5	95.7	73.0	94.6	100.0	90.6
WILLIAMS		600	50.2	100.0	100.0	99.3	99.4	87.2	100.0	84.1	83.8	100.0	100.0	100.0
COPE		410	100.0	69.3	100.0	97.5	98.4	94.7	100.0	41.8	0.0	90.8	7.9	0.0
FOSSILTOTALS		2632	78.8	61.4	85.1	98.7	98.6	98.5	96.4	85.8	80.3	93.0	90.2	80.6
V.C. SUMMER* (SCEG)		952	100.0	100.0	100.0	95.7	100.0	100.0	100.0	19.6	0.0	0.0	0.0	0.0
(SCPSA)		635												
(SCPSA)		317												

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**SOUTH CAROLINA ELECTRIC & GAS COMPANY
V. C. SUMMER NUCLEAR UNIT OUTAGE REPORT**

March 1, 2000 – February 28, 2001

<u>NO.</u>	<u>DATE OFF</u>	<u>DATE ON</u>	<u>HOURS/TYPE*</u>	<u>REASON FOR OUTAGE AND CORRECTIVE ACTION</u>
1.	06/16/00	06/17/00	31.3/F	Unit was brought down to make repairs to the "C" main feedwater isolation valve seal.
2.	10/07/00	02/28/01	3479.1/S/F	Unit was removed from service for refueling outage and other planned maintenance and inspections. One of these inspections identified an accumulation of boric acid near the Alpha loop piping from the reactor vessel to the Alpha steam generator. A 2 1/2" long crack with a 3/16" diameter exit point through the weld of this 29" diameter pipe was discovered. Root cause analysis determined the crack was a result of a phenomenon known as Primary Water Stress Corrosion Cracking. Nuclear Regulatory Commission (NRC) inspection and analysis found no performance deficiencies and the Company's root cause analysis was thorough, well organized, and performed with personnel with appropriate expertise. The NRC inspection team determined that Code requirements had been met throughout the history of the weld. The NRC also found this equipment failure was not avoidable by reasonable quality assurance measures or management controls and is considered to have resulted from matters not within the Company's control.

TYPE* F- Forced S- Scheduled

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EXHIBIT NO. 2A

SOUTH CAROLINA ELECTRIC & GAS COMPANY
FOSSIL UNIT OUTAGE REPORT
(100 HRS OR GREATER DURATION)
MARCH 1, 2000 – FEBRUARY 28, 2001

<u>MONTH</u>	<u>UNIT</u>	<u>HRS/TYPE*</u>	<u>REASON FOR OUTAGE AND CORRECTIVE ACTION</u>
MAR 00	Canadys 1	137.00/S	Unit removed from service to replace a boiler tube and the house service cooling tower.
	Canadys 2	137.00/S	Unit removed from service to replace the house service cooling tower.
	Urquhart 1	193.18/S	Unit removed from service to inspect and repair the turbine generator.
	Urquhart 3	709.72/S	Unit removed from service to install new tubes in the primary superheat and economizer side wall sections of the boiler.
APR 00	McMeekin 2	169.28/S	Unit removed from service to chemically clean the boiler.
	Williams	370.02/S	Unit removed from service for boiler inspection and other related repairs.
	Canadys 1	719.00/S	Outage continued from prior month.
	Canadys 2	719.00/S	Outage continued from prior month.
	Canadys 3	179.00/S	The unit was taken off line to install a new DC battery system, to cut boiler tube samples, and to run and check out ID and FD fans.
	Urquhart 1	719.00/S	Outage continued from prior month.
	Urquhart 3	153.38/F	Unit forced off line to wash the electrostatic precipitator.
	McMeekin 1	114.60/S	Unit removed from service for boiler maintenance and other miscellaneous repairs.
	Wateree 1	382.95/S	Unit removed from service for scheduled Spring outage.
	Cope 1	197.75/S	Unit removed from service to perform windbox expansion joint replacements, ultrasonic thickness testing of the baghouse and scrubber vessels, dismantle and inspect the reheat safety valves, and perform necessary periodic inspections.
MAY 00	Canadys 1	165.00/S	Continued outage.
	Canadys 2	136.00/S	Continued outage.
	Canadys 3	234.77/F	Unit forced off line due to failure of the generator brushes and brush right.
	Wateree 1	126.33/S	Continued outage.
JUN 00	NONE		
JUL 00	NONE		
AUG 00	NONE		

TYPE* F – Forced S – Scheduled

SOUTH CAROLINA ELECTRIC & GAS COMPANY
FOSSIL UNIT OUTAGE REPORT
(100 HRS OR GREATER DURATION)
MARCH 1, 2000 – FEBRUARY 28, 2001

<u>MONTH</u>	<u>UNIT</u>	<u>HRS/TYPE*</u>	<u>REASON FOR OUTAGE AND CORRECTIVE ACTION</u>
SEP 00	Urquhart 1	196.08/S	Unit removed from service to disassemble, inspect, and repair the intercept valve.
OCT 00	Canadys 3	206.63/S	Unit removed from service for boiler modifications.
	Urquhart 2	133.28/S	Unit removed from service to replace steam line hangers
	McMeekin 1	104.42/S	Routine maintenance.
	McMeekin 2	152.33/S	Routine maintenance.
	Williams	118.70/S	Routine scheduled maintenance.
	Cope	433.93/S	Scheduled maintenance.
NOV 00	Canadys 1	168.43/S	Unit brought off line to replace air supply expansion joints and chemically clean the boiler.
	Canadys 2	109.93/S	Unit brought off line to replace the #8 coal conveyor belt.
	Canadys 3	188.02/F	Unit forced off line due to a broken turbine blade.
	Wateree 1	121.25/S	Routine scheduled maintenance.
	Wateree 2	185.95/S	Unit removed from service for its scheduled Fall outage.
	Williams	116.52/S	Routine scheduled maintenance.
	Cope	720.00/S	Continued outage.
DEC 00	Canadys 3	381.42/S	Continued outage.
	Cope	720.00/S	Continued outage.
JAN 01	Cope	687.10/F	Unit forced off line due to generator ground fault.
FEB 01	Canadys 2	287.83/S	Unit taken off line to perform a turbine generator inspection and overhaul.
	Urquhart 1	120.97/S	Unit taken off line to perform a turbine generator inspection, overhaul and upgrade.
	Cope	672.00/F	Continued outage.

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TYPE* F – Forced S – Scheduled

SOUTH CAROLINA ELECTRIC & GAS COMPANY

GENERATION MIX

MARCH 1, 2000 - FEBRUARY 28, 2001

<u>MONTH</u>	<u>PERCENTAGE</u>		
	<u>FOSSIL</u>	<u>NUCLEAR</u>	<u>HYDRO</u>
Mar-00	70	26	4
Apr-00	68	28	4
May-00	73	23	4
Jun-00	77	19	4
Jul-00	76	20	4
Aug-00	75	21	4
Sep-00	75	21	4
Oct-00	90	5	5
Nov-00	96	0	4
Dec-00	92	0	8
Jan-01	96	0	4
Feb-01	96	0	4

SOUTH CAROLINA ELECTRIC & GAS COMPANY
GENERATION STATISTICS OF MAJOR PLANTS
MARCH 1, 2000 - FEBRUARY 28, 2001

PLANT	TYPE FUEL	AVERAGE FUEL COST (CENTS/KWH*)	GENERATION (MWH)
Summer	Nuclear	0.47	3,302,480
McMeekin	Coal - Gas	1.45	1,898,134
Wateree	Coal	1.49	4,552,160
Cope	Coal - Gas	1.40	2,270,439
Williams	Coal	1.44	4,554,570
Urquhart	Coal - Gas	1.76	1,544,108
Canadys	Coal - Gas	1.61	2,437,455

(*) The average fuel costs for coal-fired plants include oil and/or gas cost for start-up and flame stabilization.

SOUTH CAROLINA ELECTRIC & GAS COMPANY
SOUTH CAROLINA RETAIL COMPARISON OF ESTIMATED TO ACTUAL ENERGY SALES

	2000	2001												
	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	TOTAL	
[1] ESTIMATED SALES [MWH]	1,542,000	1,533,000	1,552,000	1,865,000	2,087,000	2,090,000	2,010,000	1,721,000	1,541,000	1,654,000	1,783,000	1,714,000	21,092,000	
[2] ACTUAL SALES [MWH]	1,485,091	1,505,192	1,665,043	2,024,390	2,116,140	2,050,758	1,925,808	1,646,153	1,552,166	1,824,822	2,001,825	1,594,254	21,391,642	
[3] AMOUNT DIFFERENCE [1]-[2]	56,909	27,808	-113,043	-159,390	-29,140	39,242	84,192	74,847	-11,166	-170,822	-218,825	-119,746	-299,642	
[4] PERCENT DIFFERENCE [3]/[2]	3.83%	1.85%	-6.79%	-7.87%	-1.38%	1.91%	4.37%	4.55%	-0.72%	-9.36%	-10.93%	7.51%	-1.40%	

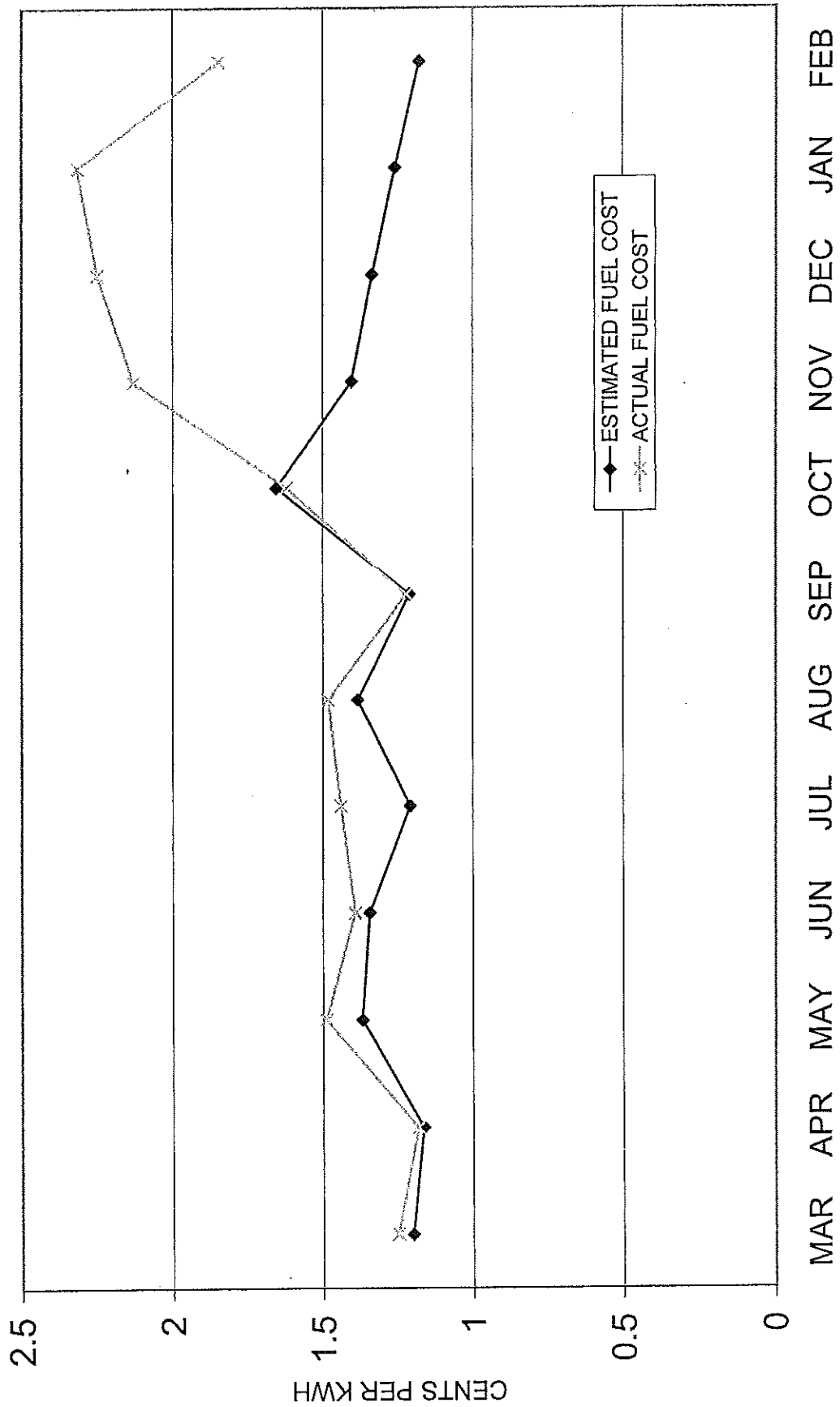
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SOUTH CAROLINA ELECTRIC & GAS COMPANY
SOUTH CAROLINA RETAIL COMPARISON OF ESTIMATED TO ACTUAL FUEL COST

	2000 <u>MAR</u>	<u>APR</u>	<u>MAY</u>	<u>JUN</u>	<u>JUL</u>	<u>AUG</u>	<u>SEP</u>	<u>OCT</u>	<u>NOV</u>	<u>DEC</u>	2001 <u>JAN</u>	<u>FEB</u>
[1] ORIGINAL PROJECTION	1.2002	1.1650	1.3690	1.3455	1.2092	1.3839	1.2114	1.6547	1.4036	1.3358	1.2592	1.1772
[2] ACTUAL EXPERIENCE	1.2508	1.1834	1.4879	1.3938	1.4391	1.4819	1.2225	1.6217	2.1300	2.2493	2.3161	1.8456
[3] AMOUNT IN BASE	1.3370	1.3370	1.3300	1.3300	1.3300	1.3300	1.3300	1.3300	1.3300	1.3300	1.3300	1.3300
[4] VARIANCE FROM ACTUAL [1-2]/[2]	-4.05%	-1.55%	-7.99%	-3.47%	-15.98%	-6.61%	-0.91%	2.03%	-34.10%	-40.61%	-45.63%	-36.22%

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 EXHIBIT NO. 6

SOUTH CAROLINA ELECTRIC & GAS COMPANY ESTIMATED TO ACTUAL FUEL COST



MARCH 2000 - FEBRUARY 2001

SOUTH CAROLINA ELECTRIC & GAS COMPANY

ELECTRICITY

SOUTH CAROLINA ELECTRIC & GAS COMPANY

ADJUSTMENT FOR FUEL COSTS

APPLICABILITY

This adjustment is applicable to and is part of the Utility's South Carolina retail electric rate schedules.

The Public Service Commission has determined that the costs of fuel in an amount to the nearest one-thousandth of a cent, as determined by the following formula, will be included in the base rates to the extent determined reasonable and proper by the Comm

$$F = \frac{E}{S} + \frac{G}{S1}$$

Where:

F = Fuel cost per kilowatt-hour included in base rate, rounded to the nearest one-thousandth of a cent.

E = Total projected system fuel costs:

- (A) Fuel consumed in the Utility's own plants and the Utility's share of fuel consumed in jointly owned or leased plants. The cost of fossil fuel shall include no items other than those listed in Account 151 of the Commission's Uniform System of Accounts for

PLUS

- (B) Purchased power fuel costs and applicable SO2 emission allowances such as those incurred in unit power and Limited Term power purchases where the fossil fuel costs and applicable SO2 emission allowances associated with energy purchased are identifiable an

PLUS

- (C) Interchange power fuel costs and applicable SO2 emission allowances such as Short Term, Economy and other where the energy is purchased on an economic dispatch basis.
Energy receipts that do not involve money payments such as diversity energy and payback of storage energy are not defined as purchased or interchange power relative to this fuel calculation.

MINUS

- (D) The cost of fossil fuel and applicable SO2 emission allowances recovered through intersystem sales including the fuel costs and applicable SO2 emission allowances related to economy energy sales and other energy sold on an economic dispatch basis.

Energy deliveries that do not involve billing transactions such as diversity energy and payback of storage energy are not defined as sales relative to this fuel calculation.

S = Projected system kilowatt-hour sales excluding any intersystem sales.

G = Cumulative difference between jurisdictional fuel revenues billed and fuel expenses at the end of the month preceding the projected period utilized in E and S.

S1 = Projected jurisdictional kilowatt-hour sales, for the period covered by the fuel costs included in E.

The appropriate revenue related tax factor is to be included in these calculations.

The fuel cost as determined by the Public Service Commission of South Carolina Order No. 2000-0402 for the period May 2000 through April 2001 is 1.330 Cents per kilowatt hour.

SOUTH CAROLINA ELECTRIC & GAS COMPANY

HISTORY OF CUMULATIVE RECOVERY ACCOUNT

<u>PERIOD ENDING</u>	<u>OVER (UNDER) \$</u>
January 1979 – Automatic Fuel Adjustment in Effect	
July 1979	4,427,600
April 1980	7,608,796
October 1980	(462,050)
April 1981	2,188,451
October 1981	(10,213,138)
April 1982	5,164,628
October 1982	9,937,268
April 1983	9,767,185
October 1983	(4,527,441)
April 1984	(2,646,395)
October 1984	(3,211,158)
April 1985	(9,545,054)
October 1985	(6,115,435)
April 1986	2,474,301
October 1986	(540,455)
April 1987	(353,393)
October 1987	(3,163,517)
April 1988	9,247,139
October 1988	2,717,342
April 1989	(5,665,737)
October 1989	(8,777,726)
April 1990	(5,288,612)
October 1990	6,536,591
April 1991	7,180,922
October 1991	4,160,275
April 1992	15,835,472
October 1992	15,449,670
April 1993	16,006,551
October 1993	10,069,457
April 1994	2,646,301
October 1994	(265,302)
April 1995	6,622,597
October 1995	4,202,766
February 1997	4,914,169
February 1998	596,797
February 1999	(1,303,094)
February 2000	(124,599)
February 2001	(60,454,498)

SOUTH CAROLINA ELECTRIC & GAS COMPANY
PROJECTIONS OF THE CUMULATIVE RECOVERY ACCOUNT
FOR THE TWELVE MONTH PERIOD ENDING
APRIL 2002

	FUEL BASE (Cents/Kwh)	PROJECTED CUMULATIVE OVER/(UNDER) RECOVERY (\$)
CURRENTLY APPROVED	1.330	(82,674,454)
	1.400	(68,210,354)
	1.500	(47,547,354)
	1.550	(37,215,854)
	1.575	(32,050,104)
COMPANY PROPOSED	1.579	(31,223,584)
	1.580	(31,016,954)
	1.600	(26,884,354)
	1.700	(6,221,354)
	1.710	(4,155,054)
	1.720	(2,088,754)
	1.730	(22,454)
	1.735	1,010,696
	1.740	2,043,846
	1.750	4,110,146
	1.800	14,441,646
	1.850	24,773,146
	1.900	35,104,646

SOUTH CAROLINA ELECTRIC & GAS COMPANY
PROJECTIONS OF THE CUMULATIVE RECOVERY ACCOUNT
FOR THE TWELVE MONTH PERIOD ENDING
APRIL 2002

	FUEL BASE (Cents/Kwh)	PROJECTED CUMULATIVE OVER/(UNDER) RECOVERY (\$)
CURRENTLY APPROVED	1.330	(51,509,343)
	1.375	(42,210,993)
	1.400	(37,045,243)
	1.500	(16,382,243)
	1.550	(6,050,743)
	1.570	(1,918,143)
	1.575	(884,993)
COMPANY PROPOSED	1.579	(58,473)
	1.580	148,157
	1.581	354,787
	1.590	2,214,457
	1.600	4,280,757
	1.650	14,612,257
	1.700	24,943,757
	1.750	35,275,257
	1.800	45,606,757